

United States Courts
U.S. Federal Bldg & Courthouse
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Cameron S. Burke
Court Executive/Clerk of Court

December 17, 1999

MEMO

TO: All Bankruptcy Bar Members

RE: 1999 Bankruptcy Fee Increase

Effective December 29, 1999 there will be a fee increase in chapter 7 and chapter 13 bankruptcy filing fees. The filing fees will be:

Chapter 7	\$200.00
Chapter 13	\$185.00

Bifurcation of a chapter 7 or chapter 13 case: \$77.50

This fee increase *will not* affect conversion fees, but *will* affect the reopening fees.

Motion to Reopen a chapter 7 or chapter 13 case: \$155.00

Please direct any questions to Sue Beitia at (208) 334-9464.

Questions and Answers

1. Will this increase apply to reopenings?

Yes, Item 9 of the Bankruptcy Court Miscellaneous Fee Schedule states that for reopenings, "a fee shall be collected in the same amount as prescribed by 28 USC 1930(a) for commencing a new case on the date of the reopening..." Thus, if after December 29, a party requests the reopening of a Chapter 7 or 13, the fee would be \$155. (The \$15 trustee surcharge and the \$30 administrative fee do not apply when a case is reopened.)

2. Does the new increase apply to conversions?

No, the only applicable fees are those due upon conversion; the \$25 increase is part of the statutory filing fee and that fee is not charged for conversions. The date does not matter here.

If a motion is filed to convert a case to chapter 7, the \$15 fee in Item 8.2 of the Bankruptcy Court Miscellaneous Fee Schedule applies. If the conversion is to a chapter 13, no fee is due. If a chapter 7 or 13 case is converted to chapter 11, the fee is \$400 as required by 28 U.S.C. 1930(a).

3. What happens when a joint case splits after December 29?

Item 20 of the Bankruptcy Court Miscellaneous Fee Schedule says that when a joint case under 11 U.S.C. 302 is divided into two separate cases, a fee equal to one-half the CURRENT filing fee for the chapter under which the joint case was commenced, is charged. Therefore, if a joint Chapter 7 or 13 splits after December 29, the fee will be \$77.50 (unless the split was sua sponte, in which case no fee is charged).

If a consolidated case (as opposed to a joint case by husband and wife under section 302) is deconsolidated, no fee is charged because a fee was collected for the two cases when they were originally filed (and later consolidated.)

4. Does the increase apply to involuntaries?

Yes.

Fee Increase for Chapters 7 and 13, Effective Dec. 29

In November, President Clinton signed into law an omnibus appropriations act, Public Law. No. 106-113, which includes a \$25 increase in the filing fees for chapter 7 and chapter 13 cases. The increase, effective Dec. 29 (30 days after the legislation was signed), will be split between the U.S. Trustee Program and the judiciary. With the increase, debtors will be required to pay a total of \$200 in fees to the clerk to file a chapter 7 case and a total of \$185 to file a chapter 13 case.

The clerk's office will collect a \$155 filing fee for a chapter 7 or 13 case. As a result of the \$25 increase in the filing fee, the dollar amounts allocated by the clerk's office to the Judiciary Fund and the U.S. Trustee Fund will increase by \$12.50 each to totals of \$52.50 and \$42.50, respectively. In addition to the filing fee, chapter 7 and 13 debtors are required to pay a \$30 administrative fee and chapter 7 debtors are required to pay a \$15 trustee surcharge. These fees are due upon filing of the petition, unless the debtor applies to pay the fees in installments. Fed. R. Bankr. P. 1006(b); Bankruptcy Court Miscellaneous Fee Schedule §§8, 8.1. Neither those fees nor the filing fees for chapter 9, 11 and 12 cases have been changed.

Questions about the changes should be directed to either Ray DiBiagio in the Bankruptcy Judges Division of the Administrative Office of the U.S. Courts, (202) 502-1900, or Mary Fritsche in the Bankruptcy Court Administration Division, (202) 502-1540.